

001

Form 3160-3
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

CONFIDENTIAL

5. Lease Serial No.
UTU-01031446. If Indian, Allottee or Tribe Name
N/A7. If Unit or CA Agreement, Name and No.
N/A8. Lease Name and Well No.
STIRRUP UNIT 14W-6-8-22

9. API Well No.

43-047-34447

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone2. Name of Operator
SHENANDOAH ENERGY INC.Contact: JOHN BUSCH
E-Mail: jbusch@shenandoahenergy.com3a. Address
11002 E. 17500 S.
VERNAL, UT 840783b. Phone No. (include area code)
Ph: 435.781.4341
Fx: 435.781.432310. Field and Pool, or Exploratory
WONSITS VALLEY

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface SESW 728FSL 2119FWL

4445079 N

At proposed prod. zone

629006 E

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 6 T8S R22E Mer SLB

14. Distance in miles and direction from nearest town or post office*
8 +/- MILES FROM REDWASH, UTAH12. County or Parish
UINTAH13. State
UT15. Distance from proposed location to nearest property or
lease line, ft. (Also to nearest drig. unit line, if any)
728' +/-16. No. of Acres in Lease
316.9017. Spacing Unit dedicated to this well
40.0018. Distance from proposed location to nearest well, drilling,
completed, applied for, on this lease, ft.
1000' +/-19. Proposed Depth
8250 MD
8250 TVD20. BLM/BIA Bond No. on file
U-096921. Elevations (Show whether DF, KB, RT, GL, etc.)
5132 KB

22. Approximate date work will start

23. Estimated duration
10 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

John Busch

Name (Printed/Typed)

JOHN BUSCH

Date

01/15/2002

Title
OPERATIONS

Approved by (Signature)

Title

Name (Printed/Typed)

BRADLEY G. HILL

Date

02-05-02

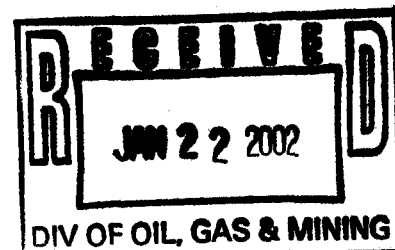
Office
RECLAMATION SPECIALIST III

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)



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T8S, R22E, S.L.B.&M.

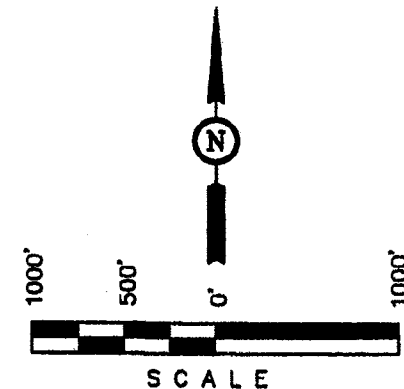
31

SHENANDOAH ENERGY, INC.

Well location, STIRRUP UNIT #14W-6-8-22, located as shown in the SE 1/4 SW 1/4 of Section 6, T8S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK (45 EAM) LOCATED IN THE N 1/2 OF SECTION 5, T8S, R21E, S.L.B.&M. TAKEN FROM THE BRENNAN BASIN QUADRANGLE, UTAH, UTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4689 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161315
STATE OF UTAH

REVISED: 1-14-02 C.G.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 10-25-01	DATE DRAWN: 10-29-01
PARTY D.A. J.A. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE SHENANDOAH ENERGY, INC.	

T7S
T8S

N00°53'W - 40.95 (G.L.O.)

N00°55'54"W - 2674.41' (Meas.)

R
21
E

Lot 4

Lot 3

Lot 2

Lot 1

Lot 5

Lot 6

Lot 7

78.20 (G.L.O.)

(8.49)

6

STIRRUP UNIT #14W-6-8-22
Elev. Ungraded Ground = 5120'

N89°47'21"W - 2606.40' (Meas.)

N89°49'05"W - 2642.14' (Meas.)

N02°00'59"W - 2264.15' (Meas.)

LATITUDE = 40°08'53"
LONGITUDE = 109°29'05"

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

BASIS OF BEARINGS IS THE EAST LINE OF THE NE 1/4 SECTION 13, T8S, R21E, S.L.B.&M. WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR N0°49'W.

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Additional Operator Remarks:

Shenandoah Energy Inc. proposes to drill a well to 8250' to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 and 24 East.

See Onshore Order No. 1 attached

Please be advised that Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. U-0969. The principal is Shenandoah Energy Inc. via surety as consent as provided for the 43 CFR 3104.2.

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SHENANDOAH ENERGY, INC.

STIRRUP UNIT #14W-6-8-22

LOCATED IN UTAH COUNTY, UTAH
SECTION 6, T8S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

10 31 01
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

DRAWN BY: K.G.

REV: 1-14-02 P.M.

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SHENANDOAH ENERGY INC.
SU 14W-6-8-22

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<i>Formation</i>	<i>Depth</i>	<i>Prod. Phase Anticipated</i>
Uinta	Surface	
Green River	3120	
Mahogany Ledge	3930	
Mesa	6550	
TD (Wasatch)	8250	

2. Anticipated Depths of Oil, Gas, Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<i>Substance</i>	<i>Formation</i>	<i>Depth</i>
Oil/Gas	Wasatch	8250

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. Anticipated Bottom Hole Pressures

Maximum anticipated bottom hole pressure equals approximately 3300.0 psi.

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SHENANDOAH ENERGY INC.
STIRRUP UNIT 14W-6-8-22
728' FSL, 2119' FWL
SESW, Section 6, T8S, R22E
UINTAH COUNTY, UTAH
LEASE # UTU-0103144

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the SU 14W-6-8-22 on January 3, 2002 at approximately 9:50 AM. Weather conditions were cloudy with a temperature of 35 degrees at the time of the onsite. In attendance at the inspection were the following individuals:

Byron Tolman	Bureau of Land Management
Dixie Sadlier	Bureau of Land Management
Paul Bueller	Bureau of Land Management
Miles Henberg	State of Utah
Raleen Searle	Shenandoah Energy Inc.

1. Existing Roads:

The proposed well site is approximately 9 miles southwest of Red Wash, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

There will be no improvements made to existing access roads.

2. Planned Access Roads:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map B for the location of the proposed access road.

A reservoir and dam will need to be created on the access road.

3. Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map D for the location of the proposed pipeline.

5. Location and Type of Water Supply:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

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6. **Source of Construction Materials:**

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

7. **Methods of Handling Waste Materials:**

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

8. **Ancillary Facilities:**

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A pit liner will be required.

10. **Plans for Reclamation of the Surface:**

Please see Shenandoah energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Township 07 and 08 South, Ranges 21 to 24 East.

Seed mix #4

11. **Surface Ownership:**

The well pad and access road are located on lands owned by:

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078
(435) 781-4400

12. **Other Information**

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

There is a Burrowing Owl Stipulation from April 1st - august 15th. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.

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Lessee's or Operator's Representative:



John Busch
Red Wash Operations Rep.
Shenandoah Energy Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4341

Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Shenandoah Energy Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Shenandoah Energy Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

John Busch
John Busch
Red Wash Operations Representative

JAN 15-02
Date

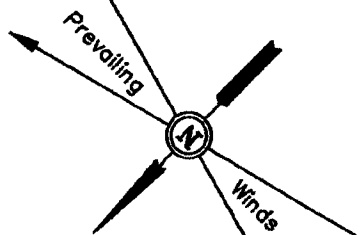
CONFIDENTIAL

SHENANDOAH ENERGY, INC.

FIGURE #1

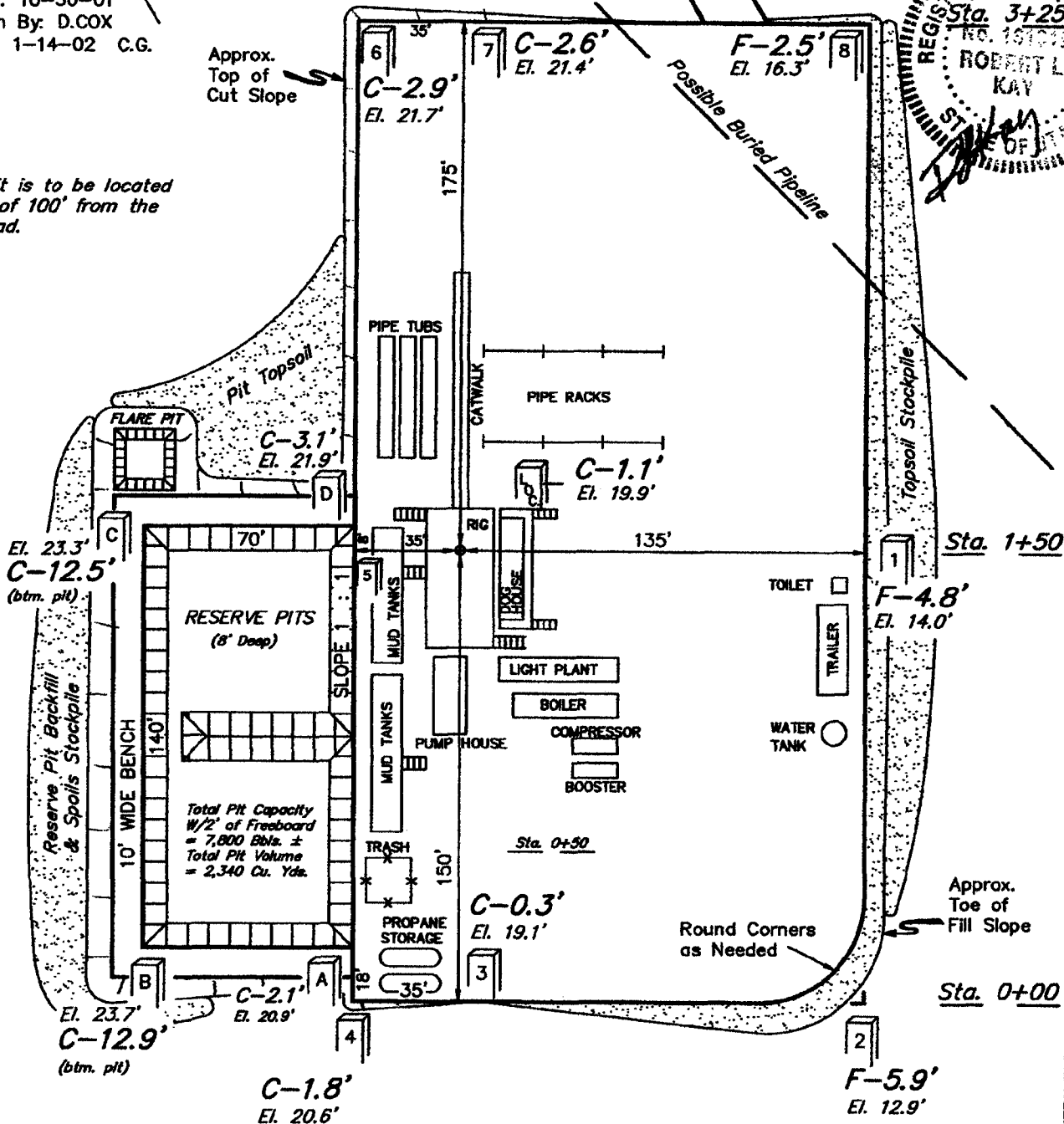
LOCATION LAYOUT FOR
STIRRUP UNIT #14W-6-8-22
SECTION 6, T8S, R22E, S.L.B.&M.
728' FSL 2119' FWL

Proposed Access Road



SCALE: 1" = 50'
DATE: 10-30-01
Drawn By: D.COX
Revised: 1-14-02 C.G.

NOTE:
Flare Pit is to be located
a min. of 100' from the
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5119.9'
FINISHED GRADE ELEV. AT LOC. STAKE = 5118.8'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

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SHENANDOAH ENERGY, INC.

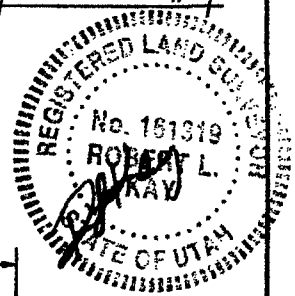
TYPICAL CROSS SECTIONS FOR

STIRRUP UNIT #14W-6-8-22

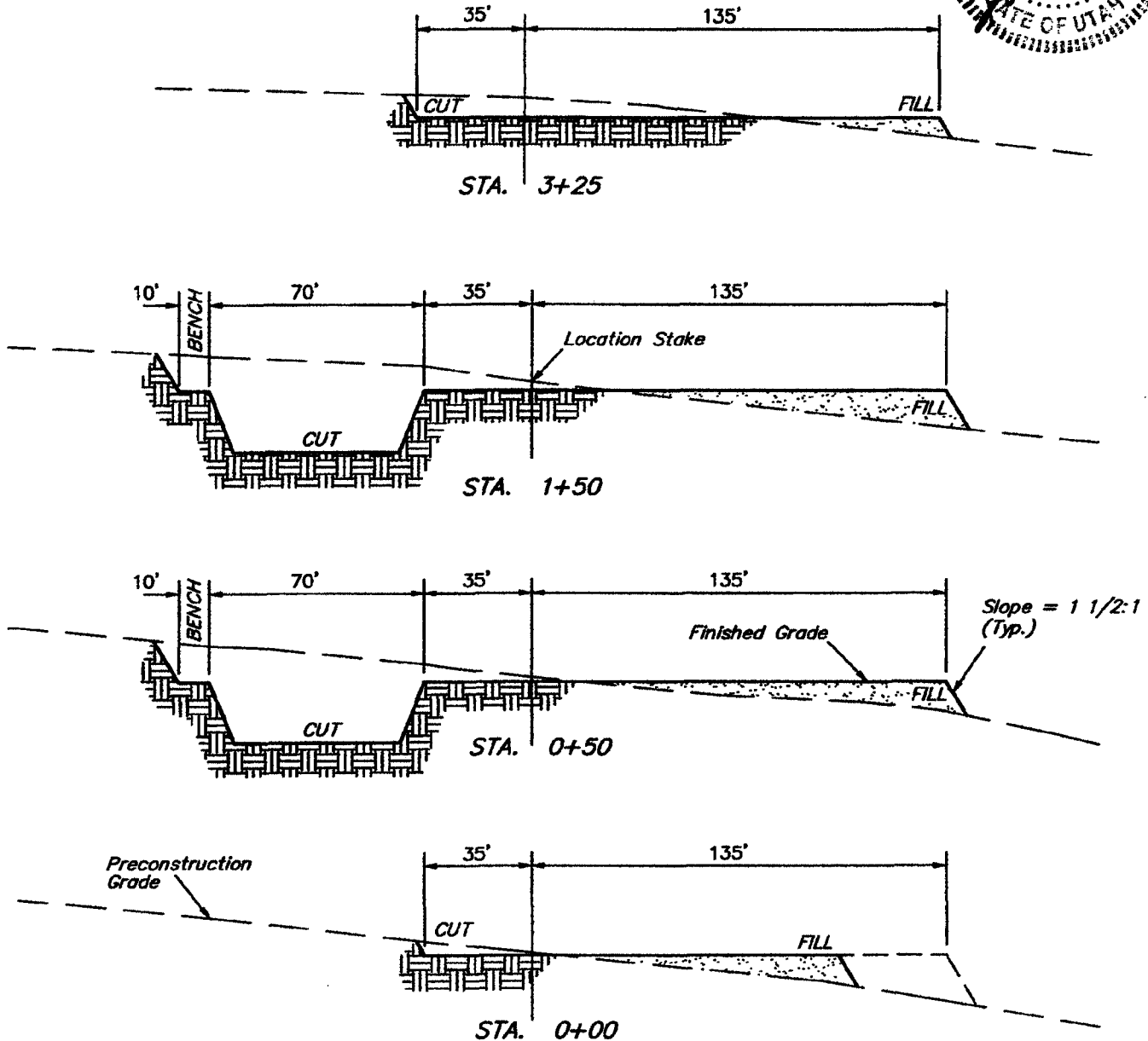
SECTION 6, T8S, R22E, S.L.B.&M.

728' FSL 2119' FWL

FIGURE #2



1" = 20'
X-Section
Scale
1" = 50'
DATE: 10-30-01
Drawn By: D.COX
Revised: 1-14-02 C.G.



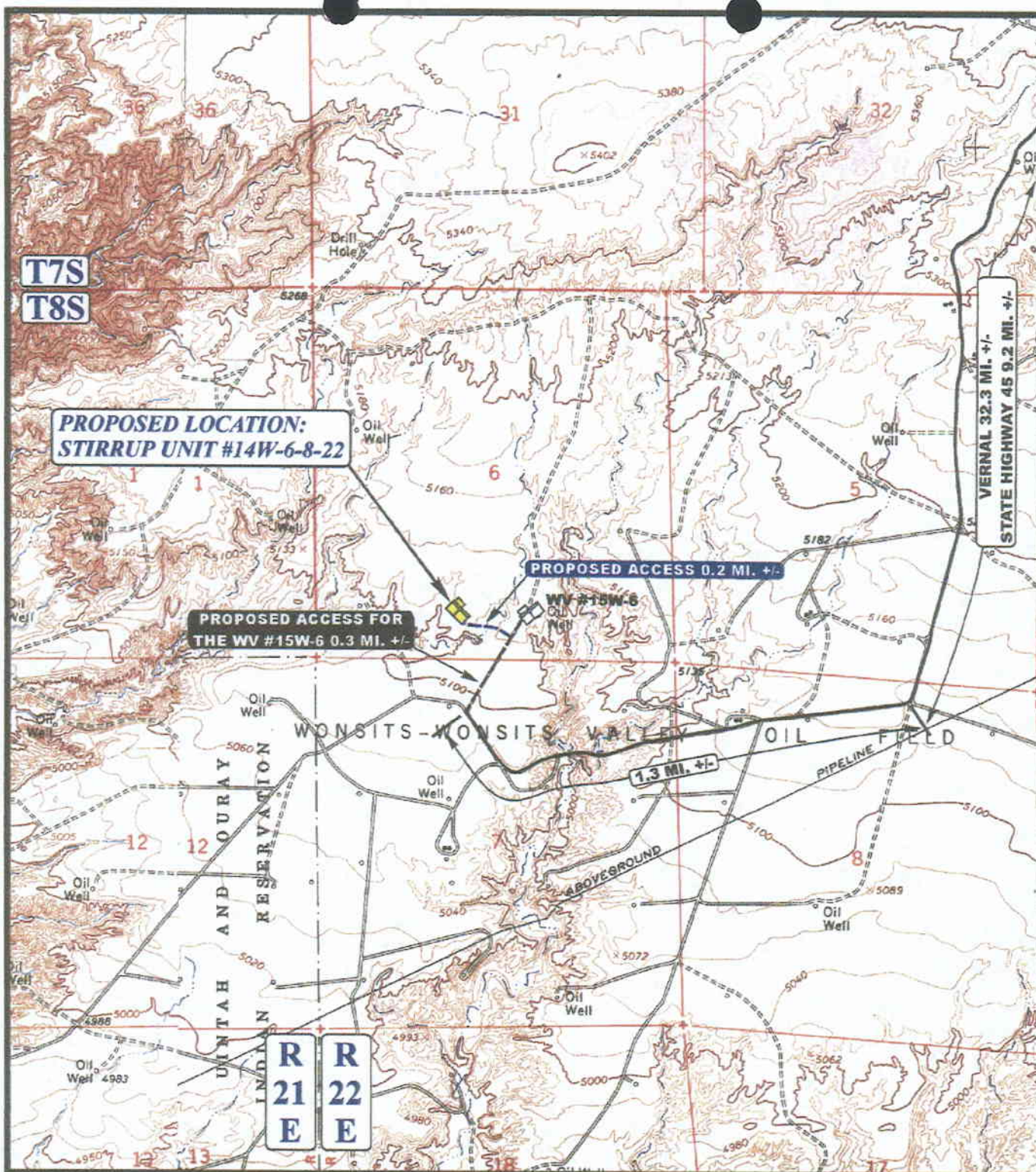
APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,260 Cu. Yds.
Remaining Location	= 4,890 Cu. Yds.
TOTAL CUT	= 6,150 CU.YDS.
FILL	= 3,540 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,430 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,430 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
86 So. 200 East • Vernal, Utah 84078 • (435) 788-1017

CONFIDENTIAL



LEGEND:

----- PROPOSED ACCESS ROAD
 ————— EXISTING ROAD

SHENANDOAH ENERGY, INC.

STIRRUP UNIT #14W-6-8-22
SECTION 6, T8S, R22E, S.L.B.&M.
728' FSL 2119' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



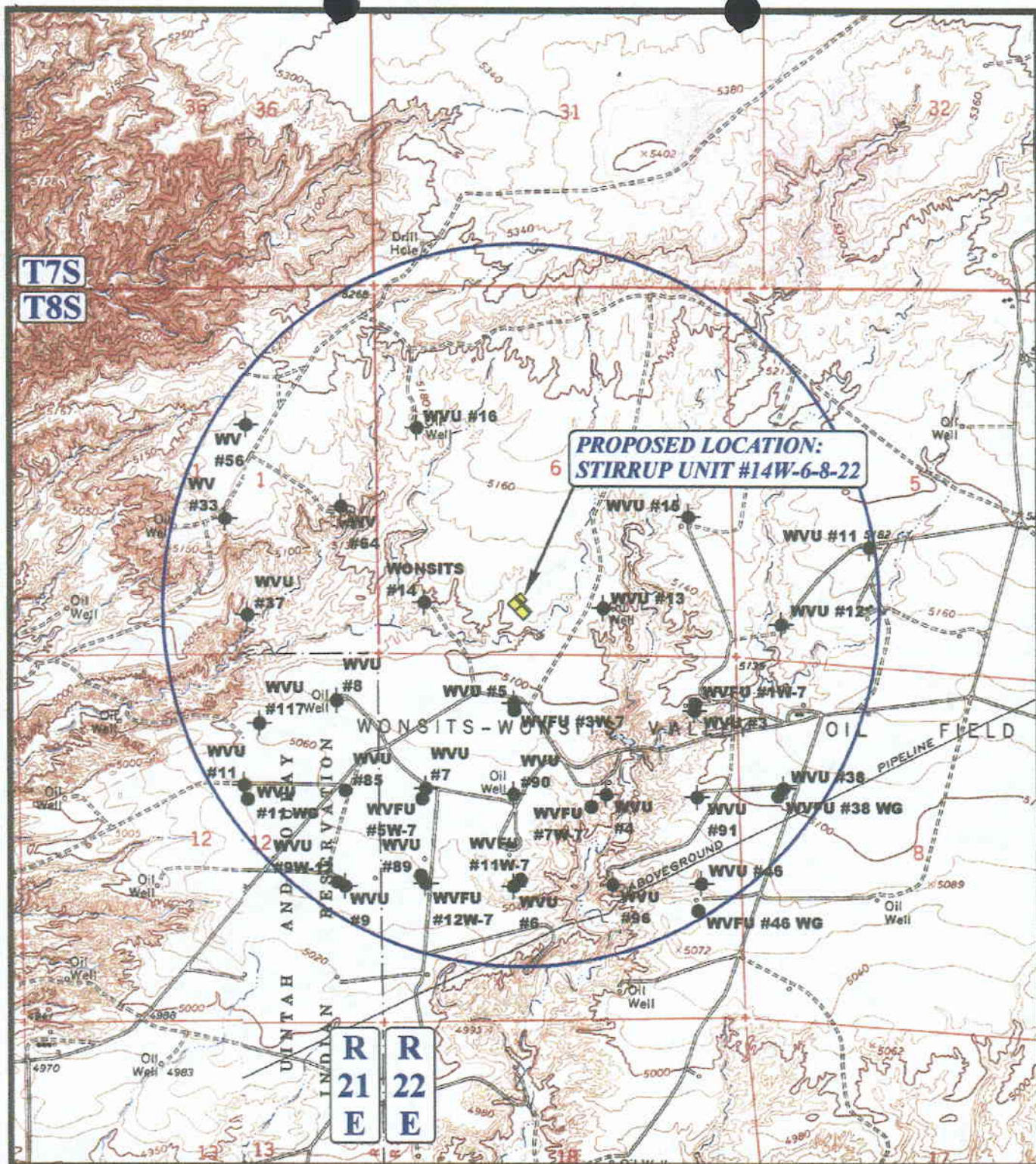
TOPOGRAPHIC
MAP

10 31 01
 MONTH DAY YEAR



SCALE: 1" = 2000' DRAWN BY: K.G. REV: 1-14-02 P.M.

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LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

SHENANDOAH ENERGY, INC.

STIRRUP UNIT #14W-6-8-22
SECTION 6, T8S, R22E, S.L.B.&M.
728' FSL 2119' FWL



Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

10 31 01
 MONTH DAY YEAR


SCALE: 1" = 2000' DRAWN BY: K.G. REV: 1-14-02 P.M.



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APPROXIMATE TOTAL PIPELINE DISTANCE = 1300' +/-

LEGEND:

- EXISTING PIPELINE
 PROPOSED PIPELINE
 PROPOSED ACCESS

SHENANDOAH ENERGY, INC.

STIRRUP UNIT #14W-6-8-22
SECTION 6, T8S, R22E, S.L.B.&M.
728' FSL 2119' FWL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

10	31	01
MONTH	DAY	YEAR

SCALE: 1" = 1000' DRAWN BY: K.G. REV: 1-14-02 P.M.

D
TOPC

CONFIDENTIAL

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/22/2002

API NO. ASSIGNED: 43-047-34447

WELL NAME: STIRRUP U 14W-6-8-22

OPERATOR: SHENANDOAH ENERGY INC (N4235)

CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:

SESW 06 080S 220E

SURFACE: 0728 FSL 2119 FWL

BOTTOM: 0728 FSL 2119 FWL

UINTAH

WONSITS VALLEY (710)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-0103144

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. U-0969)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☒ R649-2-3. Unit
☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
☒ R649-3-3. Exception
☒ Drilling Unit
Board Cause No:
Eff Date:
Siting:
☒ R649-3-11. Directional Drill

COMMENTS: WV Field SOP, separate file.

STIPULATIONS: 1-Fed. Approval
2-Spacing Stip.

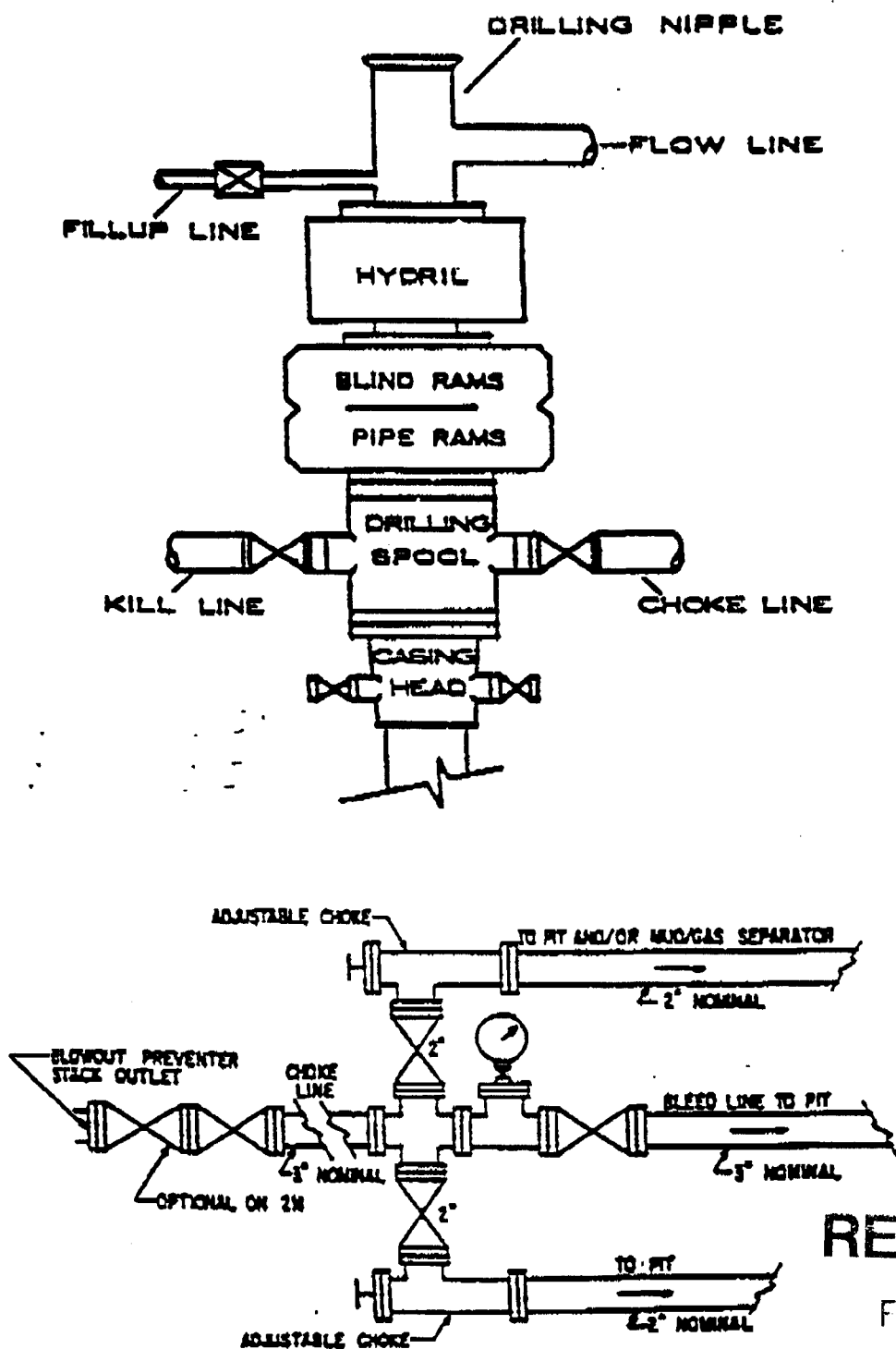


COUNTY: UINTAH



Drilling Program

SCHEMATIC DIAGRAM OF 3,000 PSI BOP STACK



RECEIVED

FEB 04 2002

DIVISION OF
OIL, GAS AND MINING

003



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

February 5, 2002

Shenandoah Energy Inc.
11002 E 17500 S
Vernal UT 84078

Re: Stirrup Unit 14W-6-8-22 Well, 728' FSL, 2119' FWL, SE SW, Sec. 6, T. 8 South,
R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34447.

Sincerely,

A handwritten signature in black ink, appearing to read 'John R. Baza'.

John R. Baza
Associate Director

er

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Shenandoah Energy Inc.
Well Name & Number Stirrup Unit 14W-6-8-22
API Number: 43-047-34447
Lease: UTU-0103144

Location: SE SW Sec. 6 T. 8 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

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Form 3160-3
(August 1999)

RECEIVED

JAN 16 2002

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER			CONFIDENTIAL		
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone					
2. Name of Operator SHENANDOAH ENERGY INC.			Contact: JOHN BUSCH E-Mail: jbusch@shenandoahenergy.com		
3a. Address 11002 E. 17500 S. VERNAL, UT 84078			3b. Phone No. (include area code) Ph: 435.781.4341 Fx: 435.781.4323		
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESW 728FSL 2119FWL At proposed prod. zone			10. Field and Pool, or Exploratory WONSITS VALLEY		
14. Distance in miles and direction from nearest town or post office* 8 +/- MILES FROM REDWASH, UTAH			12. County or Parish UINTAH		13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 728' +/-		16. No. of Acres in Lease 316.90		17. Spacing Unit dedicated to this well 40.00	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1000' +/-		19. Proposed Depth 8250 MD 8250 TVD		20. BLM/BIA Bond No. on file U-0969	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5132 KB		22. Approximate date work will start		23. Estimated duration 10 DAYS	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>John Busch</i>	Name (Printed/Typed) JOHN BUSCH	Date 01/15/2002
Title OPERATIONS		
Approved by (Signature) <i>Howard B. Cleary</i>	Name (Printed/Typed)	Date 02/27/2002
Title Assistant Field Manager Mineral Resources	Office	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED
RECEIVED

MAR 01 2002

DIVISION OF
OIL, GAS AND MINING

CONFIDENTIAL

DOGMA

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Shenandoah Energy Inc.

Well Name & Number: STIRRUP UNIT #14W-6-8-22

API Number: 43-047-34447

Lease Number: U - 0103144

Location: SESW Sec. 06 T. 8S R. 22E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. **DRILLING PROGRAM**

1. **Casing Program and Auxiliary Equipment**

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at $\pm 2,995$ ft.

CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Shenandoah Energy Inc.

API Number 43-047-34447

Well Name & Number: 14W-6-8-22

Lease Number: U-0103144

Location: SESW Sec. 6, T.8S. R.22 E.

Surface Ownership: BLM

Date NOS Received: 11-8-01

Date APD Received: 1-16-02

-A dam will be constructed along the access road which the road would cross. Top of the dam would need to be at least 18 feet wide. A 36 inch culvert would be installed for the spill way. The dirt contractor shall contact either Paul Buhler or Byron Tolman at the Vernal Field office (435-781-4475 or 435-781-4482) prior to construction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

005

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

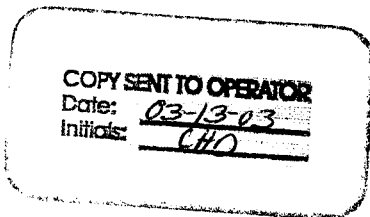
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-0103144
2. Name of Operator SHENANDOAH ENERGY INC.		6. If Indian, Allottee or Tribe Name
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 435.781.4309 Fx: 435.781.4329		8. Well Name and No. STIRRUP UNIT 14W-6-8-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T8S R22E SESW 728FSL 2119FWL		9. API Well No. 43-047-34447
		10. Field and Pool, or Exploratory WONSITS VALLEY
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Shenandoah Energy Inc. hereby requests an one year extenstension on the APD for the SU 14W-6-8-22.



Approved by the
Utah Division of
Oil, Gas and Mining

Date: 03-12-03
By: [Signature]

RECEIVED

MAR 11 2003

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Electronic Submission #19292 verified by the BLM Well Information System For SHENANDOAH ENERGY INC., sent to the Vernal	
Name (Printed/Typed) RALEEN SEARLE	Title REGULATORY AFFAIRS ANALYST
Signature Raleen Searle	Date 03/06/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

006

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0103144
2. Name of Operator SHENANDOAH ENERGY INC		6. If Indian, Allottee or Tribe Name
Contact: RALEEN SEARLE E-Mail: raleen.searle@questar.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526	3b. Phone No. (include area code) Ph: 435.781.4309 Fx: 435.781.4329	8. Well Name and No. WONSITS VALLEY 14W-6-8-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T8S R22E SESW 728FSL 2119FWL		9. API Well No. 43-047-34447-00-X1
		10. Field and Pool, or Exploratory WONSITS VALLEY
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Shenandoah Energy Inc. hereby requests an one year extenstension on the APD for the SU 14W-6-8-22.

RECEIVED

MAR 13 2003

email

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Electronic Submission #19292 verified by the BLM Well Information System For SHENANDOAH ENERGY INC, sent to the Vernal Committed to AFMSS for processing by LESLIE WALKER on 03/10/2003 (03LW1133SE)	
Name (Printed/Typed) RALEEN SEARLE	Title REGULATORY AFFAIRS ANALYST
Signature (Electronic Submission)	Date 03/06/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>KIRK FLEETWOOD</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>03/12/2003</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office <u>Vernal</u>

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #19292

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	OTHER NOI	APDCH NOI
Lease:	UTU-0103144	UTU0103144
Agreement:		
Operator:	SHENANDOAH ENERGY INC. 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435.781.4309 Fx: 435.781.4323	SHENANDOAH ENERGY INC 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526 Ph: 435.781.4300 Fx: 435.781.4329
Admin Contact:	RALEEN SEARLE REGULATORY AFFAIRS ANALYST E-Mail: raleen.searle@questar.com Ph: 435.781.4309 Fx: 435.781.4329	RALEEN SEARLE REGULATORY AFFAIRS ANALYST E-Mail: raleen.searle@questar.com Ph: 435.781.4309 Fx: 435.781.4329
Tech Contact:		
Location:		
State:	UT	UT
County:	UINTAH	UINTAH
Field/Pool:	WONSITS VALLEY	WONSITS VALLEY
Well/Facility:	STIRRUP UNIT 14W-6-8-22 Sec 6 T8S R22E SESW 728FSL 2119FWL	WONSITS VALLEY 14W-6-8-22 Sec 6 T8S R22E SESW 728FSL 2119FWL

Shenandoah Energy Inc.
APD Extension

Well: WV 14W-6-8-22

Location: SESW Sec. 6, T8S, R22E

Lease: U-0103144

Conditions of Approval

An extension for the referenced APD is granted with the following condition(s):

1. The extension will expire 2/27/04
2. No other extensions beyond that time frame will be granted or allowed.

If you have any other questions concerning this matter, please contact Kirk Fleetwood at (435) 781-4486.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office
170 South 500 East
Vernal, Utah 84078-2799

Phone: (435) 781-4400
Fax: (435) 781-4410

IN REPLY REFER TO:
3160
UT08300

June 2, 2003

Raleen Searle
Shenandoah Energy Inc.
11002 East 175000 South
Vernal, Utah 84078

Re: Wells 9W-6-8-22, 11W-6-8-22,
13W-6-8-22, 14W-6-8-22
S2, Sec. 6, T8S, R22E
Uintah County, Utah
Lease No. U-0103144

Dear Raleen:

The Applications for Permit to Drill (APDs) the above referenced wells have been rescinded as per your request. If you intend to drill at this location at a future date, a new APD must be submitted.

No drilling activity at these locations has been reported to this office. Therefore, approval to drill the wells is hereby rescinded, effective June 2, 2003.

If you have any questions concerning APD processing, please contact me at (435) 781-4497.

Sincerely,

Leslie Walker
Legal Instruments Examiner

cc: UDOGM – Diana Mason

RECEIVED

JUN 11 2003

DIV. OF OIL, GAS & MINING



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

June 18, 2003

Raleen Searle
Shenandoah Energy Inc.
11002 East 17500 South
Vernal, Utah 84078

Re: APD Rescinded – Stirrup Unit 14W-6-8-22, Sec. 6, T.8S, R.22E – Uintah County, Utah, API No. 43-047-34447

Dear Ms. Searle:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 5, 2002. On March 12, 2003, the Division granted a one-year APD extension. On June 11, 2003 the Division received a letter from the Bureau of Land Management (BLM), which states that the permit filed with the BLM was being returned unapproved as per your request. I contacted you at that time and you requested that the APD filed with the Division be rescinded. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 11, 2003, as requested.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal